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4/5/18

Karen Sabasteanski
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Office of Regulatory Affairs
Virginia Department of Environmental Quality
P.O. Box 1105
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RE: Comments on 9 VAC 5-140, Part VII, 34 Va. Reg. 924 (1/8/18)

Ms. Sabasteanski:

Greif Packaging is submitting the following comments on proposed regulations to reduce and cap carbon dioxide (CO₂) emissions from fossil fuel-fired electric generating facilities in Virginia, regulations 9 VAC 5-140, Part VII, 34 Va. Reg. 924 (Jan. 8, 2018). Although these new regulations are not directly applicable to Greif, they will negatively affect Greif and all businesses and residents in the Commonwealth.

1) It is remarkable that Virginia would implement regulations with such a broad effect on the economy of the Commonwealth even though they are not required federally as are the vast majority of environmental regulations.

2) Greif is concerned that the impact of capping CO₂ in Virginia has no direct benefit to the Commonwealth of Virginia because of the following:

The effects of CO₂ emissions are not localized like other criteria and hazardous air pollutants which cause direct acute or chronic health problems for the citizens of Virginia; in contrast, CO₂ emitted in Virginia has no immediate localized direct health effects; any future impacts from CO₂ are indirect and global rather than local.

The majority of criteria and hazardous air pollutants in the ambient air in Virginia originate in Virginia; in contrast, Virginia only emits about 1% of global CO₂ emissions and therefore has no substantial control over the impacts of CO₂ on the citizens of Virginia.

3) A cap on CO₂ will have a negative impact to the economy of Virginia and is likely to have unintended consequences that undermine its own purpose:

Putting a cap on CO2 emissions is for all practical purposes putting a cap on energy generation in the Commonwealth; this will likely result in the following:

- increases in the cost of electricity
- increased importation of power from states with no CO2 cap
- loss of businesses and jobs, especially manufacturing, to other states or countries with no CO2 cap

All three of these effects will hurt the economy of the Commonwealth and ultimately undermine the purpose of the cap itself. Since power generation and businesses will tend to move to states and countries without a CO2 cap, overall CO2 emissions will not be substantially reduced.

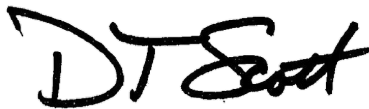
Virginia's economy will likely be weaker relative to other states and countries due to increased electrical costs and loss of jobs associated with this regulation. A weaker economy puts Virginia in a weaker position to respond to the future impacts of climate change which this regulation will not substantially affect.

In summary, the proposed CO2 cap is not required, is unlikely to impact climate change in any substantial way, is bad for Virginia business and will weaken the economy of the Commonwealth.

Greif Packaging urges the VDEQ to avoid implementing these unnecessary, environmentally insignificant and economically harmful regulations.

We also urge you to strongly consider the comments from the Virginia Manufacturing Association which document in more detail the perspective of Greif.

Thankyou for your consideration,



David Scott
Vice-president- Mill Operations
Greif Packaging